

Northern California Power Agency

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Mr. Lester Snow
Program Manager
CALFED Bay-Delta Program
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Subject: Issues Surrounding the On-going and Future Bay-Delta Program Process

Dear Mr. Snow:

This letter is in response to your request for written comments regarding issues surrounding the overall Bay-Delta Program process and current perspectives. We also offer comments regarding the development of alternatives.

1. We would like to re-emphasize *the need for a process/structure to coordinate actions and funding between the various restoration and enhancement activities affecting Central Valley resources*. This coordination is necessary to obtain the synergistic benefits between the programs. As an example, the CVPIA actions, as a distinct and separate program from the Bay-Delta Program, will likely gain significant synergistic biological benefits from implementation of Bay-Delta Program actions, and vice versa. A process/structure to coordinate the interaction will intensify these benefits. The process and structure needs to include both agency coordination and stakeholder involvement.
2. There continues to be a *need for the development and articulation of strategic subobjectives*. These strategic subobjectives are essentially "value" statements, conceived through consensus discussions and negotiation. The subobjectives provide the set of measurable goals, which then can lead to discussions of potential appropriate projects/actions. These subobjectives may have technical basis as part of their development, but this is not a necessary ingredient. The Program actions, on the other hand, are developed almost exclusively from technical considerations (in order to achieve the defined strategic subobjectives). The current Program objectives are too vague to guide the development and evaluation of program actions.

To date, the consensus regarding "values" exists but is vague. The concern over generality is beginning to surface, as reflected by several BDAC member comments at the last meeting. We feel that this discussion must be held now to minimize the potential fragmentation of our collective efforts at some later date, when definition of specific actions becomes necessary. This fragmentation has begun to occur in the CVPIA process because of the same lack of development and articulation of strategic subobjectives. The history of lack of progress in the Bay-Delta solutions is also reflective of this same phenomena.

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3. Although the last meeting clarified the timing of developing specificity behind the potential actions, the *need for specificity of the actions continues to exist*. The actions needing specificity include those associated with the no-action alternative, existing conditions, and core/essential element actions, as well as the alternatives' actions themselves. Based on those BDAC meeting comments, discussions of what are core actions versus what are essential elements are inappropriate until specificity is achieved. This discussion too must await the definition of the above-mentioned subobjectives.
4. While biologists may not want to estimate the potential benefits of actions in numbers of fish, we *must continue to attempt to estimate to fishery population benefits of proposed actions*. The estimate is not to measure success and/or to find blame after implementation, but rather to compare alternative actions, during the alternative development phase, based on a cost-benefit analysis. This comparison between alternative actions is required given the limitation of existing financial resources. Would you be willing to invest your own money in a business if the proponent said that they would not give you an estimate of the payback?
5. From a power perspective, there are three general types of impacts that are possible as a result of implementing various proposed actions:
 - ◇ A change in CVP project-use power consumption that changes the power available for sale to CVP power customers,
 - ◇ A change in CVP water storage capacity or seasonal timing of water releases that impacts the value of the power generated, exacerbated by changes in daily/monthly flexibility in water release practices, and
 - ◇ A change in the level of generation from the CVP that also reduces the power available for sale to CVP power customers.

CVP power customers are interested in these impacts because of continual resource management planning to meet our customers' needs, and evaluation of the level of beneficial return we receive from our significant past and future CVP capital and O&M payment contributions. As we get more definition of actions, these impacts need to be considered as part of the process of selecting preferred actions as well as part of the process of allocating implementation costs. We will continue to work with the Bay-Delta Program team in consideration of these and other issues in developing the long-term solution.

We hope that these comments are useful. We are respectful of the significant effort that you and your team have made in developing and seeking consensus with the alternatives, and encourage you to continue in this vein. If you have any questions, please call me at the above phone number.

Sincerely,



MICHAEL W. McDONALD
General Manager

HM/dg